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# HEALTH MATTERS

*in Montana*

## Hospital & Medical Facilities Division

Department of Health & Environmental Sciences, Cogswell Building, Helena 59601

## State Health Plan Clears First Hurdle

The State Health Planning & Development Agency (SHPDA) presented Phase I of the 1979 Preliminary State Health Plan to the Statewide Health Coordinating Council (SHCC) on September 29. The SHCC gave its permission to distribute the Plan before the 1979 legislature convenes, to interested legislators, state agencies and affected persons.

The Plan will be used to: 1) guide development of the various health programs of state agencies; 2) coordinate the identification of statewide health problems and their resolutions; 3) gather and share socio-economic, expenditure and health status data as a basis for resource allocation; 4) provide criteria for review of state health programs and appropriateness reviews of institutional services. The Plan contains a Montana health profile, background information and basic data for health planning within state government. The Profile gives geographic, political, demographic, social, and economic characteristics, and health status figures.

Twelve health status indicators were chosen for the Plan: the Montana death rates for lung cancer, uterine cancer, infant death, neonatal death, post-neonatal death, cirrhosis of the liver, suicide, homicide, motor vehicle accidents, and accidents other than motor vehicles; age-adjusted death rates; and low birth weight rates. Health status indicators were tabulated

(Continued on page 5)

## Certificate of Need Update

Montana's present Certificate of Need law was enacted by the 44th Legislature and took effect in July, 1975. Amendments to that law will be proposed to the Legislature which will convene in January, 1979.

The purpose of the legislation is to assist in the orderly planning and development of health care facilities and services, and to assure that comprehensive health services will be accessible to all Montanans. Another purpose of growing importance is the containment of the cost of health care.

Legislation for the orderly planning and development in the health care field is not a new concept. In 1946, in response to demands for higher standards of health care after World War II, the Federal Hill-Burton Act was passed to provide financial assistance to the states for the construction of medical facilities, especially hospitals.

Under the provisions of the Hill-Burton program, each state drew up a State Plan for the use of Hill-Burton money. In Montana, the Department of Health & Environmental Sciences was designated to write and administer the Montana State Plan.

In 1966, Hill-Burton was augmented by the Comprehensive Health Planning Act, which established a new concept in health planning; a partnership between providers and consumers. State agencies, health care providers, and the health care consuming public were all mandated to share responsibility for health planning.

In 1972, Congress amended the

Social Security Act to require state review of capital expenditures proposed by health care facilities participating in the Social Security programs of Medicare, Medicaid, and Maternal and Child Health. The review process was called the "1122 Review," referring to Section 1122 of the amendments. In Montana, 1122 Reviews are conducted by the Department of Health & Environmental Sciences.

In 1974, Congress passed the National Health Planning & Resources Development Act, (PL 93-641) which replaced the earlier Comprehensive Health Planning Act and the Hill-Burton Act. The intention of the new act was to strengthen state health planning agencies, enhance their effectiveness, and vitalize the participation of private sector through the creation of health systems agencies

PL 93-641 also addressed the Certificate of Need Program by requiring by September 1980, that various state CON laws must be deemed acceptable by the Secretary of the Department of Health, Education & Welfare or the states are liable to the penalty of withholding of specific Federal health care funds. In Montana, it is estimated that approximately \$12 to \$15 million could be affected in FY '79. To be deemed acceptable, Montana's current Certificate of Need law will have to be amended by the 1979 Legislature.

The summary chart on page 2 identifies the areas of Montana's present CON statutes which are not in compliance with PL 93-641 requirements.

(Continued on page 2)

# C E R T I F I C A T E O F N E E D S U M M A R Y

November 1, 1978

<u>Type of Facility</u>	<u>Covered by P.L. 93-641</u>	<u>Covered by Current Montana C/N Laws</u>	<u>Covered by Proposed Montana C/N Law</u>
Hospitals			
General	X	X	X
Psychiatric	X		X
Tuberculosis	X		X
Long Term Care Facilities			
Skilled nursing care	X	X	X
Intermediate care	X	X	X
Personal care		X	X
Kidney Disease Treatment Centers	X		X
Ambulatory Surgical Facilities	X		X
Health Maintenance Organizations	X		X
Outpatient Facilities		X	X
Mental Health & Mental Retardation Centers		X	X
Rehabilitation Facilities		X	X
Public Health Centers		X	X
Infirmaries		X	X
Alcohol & Drug Dependency Centers		X	X
Home Health Agencies		X	X
Half-way Houses		X	X
<u>P.L. 93-641</u>		<u>Current Mt. C/N Laws</u>	<u>Proposed Mt. C/N Law</u>
Any construction, development or other establishment of a health care facility which did not pre- viously exist.		Erection, expansion, remodeling, alter- ation of a new or existing health care facility involving capital expenditures of \$50,000 or more.	Same as requirements for P.L. 93-641.
Any project involving a capital expenditure of \$150,000 or lesser amount as determined by state, applies to lease or donation of facility or equipment amounting to \$150,000.		Same as above.	Any project involving \$150,000 capital expenditure including lease or donation.

# State Plan Clears . . .

(Continued from page 1)

for each county. Montana counties whose health status falls below the state average are Sanders, Lake, Glacier, Powell, Granite, Silver Bow, Broadwater, Meagher, Wheatland, Musselshell, Rosebud, Big Horn, Roosevelt, and Sheridan.

Demographic characteristics are shown by county census and age distributions. Tables are given for per capita income, unemployment, insurance, and occupation.

The SHPDA and SHCC have goals and objectives adopted from the Montana Health Systems Plan, the Governor's policy initiatives, and federal health planning guidelines.

For the Plan, the SHCC distilled their goals into action areas: 1) health education in prevention and health system utilization; 2) health manpower, facility distribution, and alternative health care programs, especially for delivery to the rural population; 3) comprehensive standard coverage by major third-party payors — Blue Cross, Blue Shield, and federal programs; 4) environmental health problems.

The Plan calls for continuous gathering of data on health care costs.

The inventory section of the Plan contains a detailed description of the health-related programs of five state agencies — the Departments of Health & Environmental Sciences, Institutions, Labor & Industry, Social & Rehabilitation Services, and the Office of Public Instruction.

There is an overview of current national and state health care expenditures. In the past seven years, the national trend has been to spend an ever larger percentage of the GNP for health care, with hospital services accounting for the greatest part of the increase. From 1970 to 1977, national health expenditures increased from \$69.2 billion to \$162.6 billion. About 40%

of the 1977 amount was for hospital services.

Forty-two per cent of all money spent for health care in 1977 was termed public spending; over 94 per cent of hospital care in 1977 was financed by third parties — health insurance companies, government agencies, philanthropies. Thirty nine billion dollars were paid out in 1977 by Medicare and Medicaid for personal health care.

The Plan gives expenditures in Montana for Medicaid, Medicare, home health, community mental health, alcoholism prevention and treatment, and drug abuse services.

The Policy analysis framework outlined in the Plan will be used to measure the impact of the policies of state health programs. Four types of policy analysis are set forth: 1) initiatory, in which the analyst studies a policy and proposes a change; 2) pre-decisional, in which the policy-maker asks the analyst to study a proposed policy; 3) policy review, in which the analyst inventories policies concerning a particular problem or issue; 4) policy evaluation, in which the analyst evaluates a policy to determine its effectiveness.

The Plan gives seven steps for a policy analysis: 1) identification and clarification; 2) establishment of goals and objectives; 3) exploration of the current policy, and development of alternatives; 4) projection of the consequences of the existing policy, and of the alternatives; 5) ranking of the alternatives; 6) presentation of the ranked alternatives to policy-makers; 7) evaluation of the effectiveness of the chosen alternative after it has been in operation for a period of time.

Phase II of the Preliminary Montana State Health Plan for 1979 will contain an analysis of current health education policies in state health programs.

Phase II is to be finished in December. Public comments will be received in February and then a final draft will be presented to the SHCC for adoption as the State Health Plan (SHP) for 1979.

## Health Planners Set Meeting

Thirty people from a variety of agencies, who have common responsibilities for health planning and evaluation, will meet December 6, 7 and 8 to participate in a Program Planning and Analysis Workshop. They have been invited by the lead state health planning agency, the Health Planning & Resource Development Bureau, to receive joint training from Applied Management, Inc. of Denver, in techniques of programming, cost benefit and effectiveness analysis, goal setting, evaluation, needs assessment, and analysis of alternatives for decision-making.

Co-training, which cuts across organizational boundaries, has proven effective in establishing habits of cooperation rather than competition between agencies. Agencies sending participants to the workshop are Montana Health Systems Agency, Inc., Statewide Health Coordinating Council, Montana Department of Social & Rehabilitation Services, Montana Department of Institutions, and Montana Department of Health & Environmental Sciences.

## Manpower Clearinghouse

Health manpower clearinghouse services are still being offered by the Health Planning & Resource Development Bureau.

The Bureau maintains one list of job seekers and another list of the persons, facilities, and communities seeking applicants for vacant health care positions. Parties with matching needs are put in touch with one another.

Persons seeking employment in the health care field should submit a resume and a letter describing the desired type of employment and the acceptable geographical areas; those looking for applicants should send the specifications and other particulars of the vacant job.

Contact Barbara Crebo or Elly Rennick, Health Planning & Resource Development Bureau, Cogswell Building, Helena, Montana 59601. Telephone (406) 449-3121.

CERTIFICATE OF NEED SUMMARY (continued)

P.L. 93-641

Current Mt. C/N Laws

Proposed Mt. C/N Law

Purchase of therapeutic or diagnostic equipment in a 12-month period at a cost exceeding 2% of facilities' total operating cost or exceeding \$10,000, whichever is larger.

Acquire by purchase, loan or donation any major medical equipment in excess of \$150,000 regardless of location or ownership.

Any increase, relocation or redistribution of bed capacity of a facility of 10 beds or 10% of total bed capacity of a facility over a two-year period.

Any increase, decrease, relocation or redistribution of bed capacity of a facility of 10 beds or 10% of total bed capacity of a facility over a two-year period.

Any addition of a health service not offered by a facility during the last year.

Any change in service within a 12-month period.

Any addition or deletion of a health service within a 12-month period.

Predevelopment activities in excess of \$150,000 or lesser amount as determined by state and all arrangements and commitments for financing a project.

Same as P.L. 93-641 using figure in excess of \$150,000.

Additional features of the proposed amendments to Montana's C/N Law.

Review criteria have been expanded to include the criteria in P.L. 93-641.

The public hearing and appeals processes have been revised to comply with the time requirements in P.L. 93-641, and now allow any "affected person" remedy from the Department's decision.

Penalty has been changed from criminal to civil proceedings, and the fine will be calculated on the basis of each day of violation.

Gives the state agency the authority to approve, with conditions, in addition to approve or disapprove a proposal.

# Project Review Summary

PROJECT REVIEW SUMMARY - QUARTER ENDING SEPTEMBER 30, 1978

--COMPLETED REVIEWS--

Sponsor/Location	Proposal	Letter of Intent	Received	Complete	Type of Review	Cost	HSA Recommendation	SHDA Decision Date	Appeal	Final Action
Crippled Children & Adult Rehabilitation Center Missoula	New HHA	13 Oct 77	24 Jan 78	20 April 78	C/N (R)	-0-	A/5 June 78	A/10 July 78	No	A
Galen State Hospital Galen	Re-licensure	19 April 78			C/N (AR)	-0-	A/11 April 78			w/d
Daniels Memorial Hospital Scobey	License change	19 May 78	19 May 78		C/N (R)	-0-				w/d
Boulder River School Boulder	Re-licensure	5 June 78			C/N (AR)	-0-	A/10 July 78	A/17 July 78	No	A
Pioneer Nursing Home Big Timber	License change 48 SN-35 SN 0 IC-13 IC	10 June 78			C/N (AR)	-0-	A/25 July 78	A/10 Aug 78	No	A
Convalescent Centers Bozeman/Livingston	Re-licensure	13 June 78			C/N (AR)	-0-	A/31 July 78	A/10 Aug 78	No	A
Blackfeet Nursing Home Browning	License change 29 SN-0 SN 20 IC-49 IC	30 June 78			C/N (AR)	-0-	0/17 July 78		No	w/d
Valley Vista Lewistown	License change 70 SN-29 SN 27 IC-69 IC	1 Aug 78			C/N (AR)	-0-	A/11 Aug 78	A/23 Aug 78	No	A
Mooney Convalescent Helena	License change 39 SN-60 SN 24 IC-0 IC	2 Aug 78			C/N (AR)	-0-	A/11 Aug 78			
Holy Rosary Hospital Miles City	C/N extension	3 Aug 78			C/N (AR)	-0-	N/A	A/23 Aug 78	No	A
Kalispell Regional Hosp. Kalispell	Equipment replacement	9 Aug 78			C/N (AR)	59,000	A/10 Aug 78	A/11 Aug 78	No	A
St. James Hospital Butte	Gastro Ent. equipment	9 Aug 78			C/N					not reviewable
Teton Nursing Home Choteau	Add P.T. service	10 Aug 78			C/N (AR) 1122	640	A/18 Aug 78	A/ 23 Aug 78		A
St. Vincent's Billings	Radiologic equip. replacement & addition	14 Aug 78			C/N (AR) 1122	335,000	A/7 Sent 78	A/18 Sent 78		A
Columbus Hospital Great Falls	Parking lot expansion	30 Aug 78			C/N (AR)	91,739	A/8 Sent 78	A/18 Sept 78		A

--PENDING REVIEWS--

Park Place Nursing Home Great Falls	Alcohol Rehab.	21 April 78			C/N (R)	15,000
Frances Mahon Deaconess Glasgow	Physician's Clinic	24 May 78	19 June 78	24 July 78	C/N (R) 1122	800,000
Friendship Villa Miles City	Add 14 LTC	19 July 78			C/N 1122	160,000
Hillbrook Nursing Home Clancy	Add 52 IC beds	1 Sent 78			C/N 1122	
Mineral Co. Hospital Superior	X-ray Equipment	11 Sept 78			C/N (AR) 1122	156,477
Northern Cheyenne Lame Deer	New HHA		3 Aug 78		C/N (R)	190,285

Legend: R = Regular review    A = Approved    SN = Skilled Nursing (beds)    C/N = Certificate of Need    w/d = Withdrawn  
AR = Abbreviated review    0 = Disapproved    IC = Intermediate Care (beds)    1122 = Section 1122    HHA = Home Health Agency



# Wells Is EMS Nurse Consultant

A critical care nursing consultant has been contracted by the Emergency Medical Services Bureau. Ann Wells, R.N., began working October 16.

From the state level, the needs of the emergency department nurse were largely ignored while emphasis was being put on improvement of emergency care in the field through training EMTs, purchasing ambulances, and improvement of

radio communications. However, it is recognized that registered nurses play very important roles in the delivery of emergency care, and Ms. Wells will be working with nurses and physicians throughout Montana to develop plans for improving emergency nursing.

It is hoped that this cooperative effort between the EMS Bureau, emergency nurses, and physicians will produce better communica-

tion and cooperation between pre-hospital and hospital care personnel which will, in turn, benefit the patient.

Before coming to the EMS Bureau, Ann was Basic Life Support Coordinator for Yellowstone City-County Health Department. She has had experience as an emergency department nurse, as an EMT training coordinator, and is an active member of the Emergency Department Nurses Association.

## Planning Bureau Promotes Two

Audrey Atkinson has been promoted from health planner to senior health planner within the Bureau of Health Planning and Resource Development.

She replaces Judy Johnston who has assumed a planning position with the Agassiz Health Systems Agency in Grand Forks, North Dakota.

A planner with the Health Planning and Resource Development

Bureau since August, Ms. Atkinson was formerly Director of the Montana Mental Health Association. She has a Master's degree in Social Psychology.

Replacing Ms. Atkinson in the junior planner position is Virginia (Elly) Rennick who was promoted from the Bureau's librarian position. Ms. Rennick has been with the Bureau for one and one-half years. She has a Bachelor's degree in Elementary Education.

### HEALTH MATTERS

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Views and comments are welcomed. Address letters to the Editor, HEALTH MATTERS, Hospital & Medical Facilities Division, Cogswell Building, Helena, MT 59601.

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